GREAT LAKES PILOTAGE AUTHORITY

SUMMARY

OF THE CORPORATE PLAN

2013 to 2017

Approved by the Board

October 18, 2012

Includes:

Operating Budget – 2013

Capital Budget - 2013

GREAT LAKES PILOTAGE AUTHORITY

SUMMARY OF 2013 to 2017 CORPORATE PLAN

EXECUTIVE SUMMARY

The Authority's corporate objectives are summarized as follows:

- To provide economic, safe, reliable and comprehensive marine pilotage and related services in its region of responsibility.
- To promote the effective utilization of the Authority's facilities, equipment and expertise through the productive application of these resources in such activities and geographic areas as may be appropriate in the interest of safe navigation.
- To provide the above services within a commercially-oriented framework directed toward achieving and maintaining financial self-sufficiency at the least cost to the user.
- To be responsive to the Government's environmental, social and economic policies.

These objectives are established in the *Pilotage Act* 1972 and have been embraced by the Board of Directors as recent as the last Strategic Planning meeting held in June 2011.

The Great Lakes Pilotage Authority continues to operate in a very unstable and unpredictable economic environment which has made forecasting and budgeting exercises complicated and difficult.

The last recession in 2008 and 2009 had devastating effects on marine traffic in the Great Lakes region as volumes declined by over 40%. The recovery of 2010 has been slower than anticipated and has been one of the slowest recoveries from a recession in history. Traffic levels in 2011 and 2012 are closely matching the 2010 level and 2013 assignment volumes are expected to be equivalent to the last three years.

The Authority responded to the recession in reducing its operating expenses in 2009 by over 15%. Cost reductions were generated by reducing staffing levels as well as reducing administration expenses and other operating expenditures. The Government of Canada's initiative of reduction measures of 2012 (approved in 2012 Budget) could not be met

by the Authority as it had previously reduced discretionary expenses and operating expenses in 2009.

The accumulated deficit at December 31, 2009 of $5.7 million has been reduced in 2010, 2011 and 2012 where it is forecasted to be at $2.6 million. The Authority committed in 2010 to eliminate the accumulated deficit by 2014 but this projection has been delayed by one year to 2015 and this Corporate Plan has been prepared with the objective in mind.

Traffic in the Great Lakes continues to mainly consist of imported steel for the American and Canadian steel mills and imports of specialty heavy lift cargo such as windmill parts and equipment for the Albertan oil sand developments. These imports are matched with the exports of Canadian and American grains as well as the recent addition to exports from the Great Lakes of iron ore for China. The elimination of the monopoly of the Canadian Wheat Board in August 2012 and its effects on trade in the Great Lakes are still being reviewed with no definite result at this time.

The 2013-2017 Corporate Plan is formulated during a very volatile economic period which has seen economic growth stall in the world, in particular the North American economy. The Authority is also operating during a period of Government cost-cutting measures involving federally-appropriated organizations across the Federal Government. Although the Authority does not receive Federal appropriation, it has been strongly encouraged to do everything in its power to adhere to the spirit and intent of these measures. The Authority has prepared the 2013-2017 Corporate Plan adhering to this spirit and intent as seen in the planned reduction in the cost per assignment, which is the cost of delivery of its services to the users.

The Authority is planning on increasing tariffs by 2.5% in 2013 and 2.5% in 2014 in order to meet its increase in contract costs for its employees as well as generating financial surpluses. The accumulated deficit is forecasted to be $2.6 million at December 31, 2012. The Authority will maintain its 12% surcharge established in 2011 until the deficit is eradicated. The net effect of the tariff adjustment on users will see their pilotage costs increase by 2.5% per year for the next two years.

The Authority is now in the process of renewing its five collective agreements. It has successfully renewed three (3) collective agreements for pilots which will be templates for the other pilot collective agreement as well as the collective agreement for the office and dispatching staff (13 people). This last collective agreement expired in June 2011. The general increase in costs associated with the renewal of the three pilot collective agreements averages 2.5% per year for five years ending 2017.

Manpower levels in 2013 will be reduced by one (1) pilot due to retirement and a further two (2) in 2013. These reductions will see manpower reduced by 4% in the two year period.

In the event of traffic increase, the Authority has sufficient pilot candidates on eligibility lists to staff at levels which will permit the Authority to meet its traffic in a safe and efficient fashion.

MANDATE

The objectives of the Authority are to establish, operate, maintain and administer a safe and efficient pilotage service within designated Canadian waters. The *Pilotage Act* provides that the pilotage tariffs shall be fair, reasonable and sufficient and, together with any revenue from other sources, shall permit the Authority to operate on a self-sustaining financial basis.

CORPORATE PROFILE

BACKGROUND

The Great Lakes Pilotage Authority, Ltd. was established in February 1972 pursuant to the *Pilotage Act*, incorporated as a limited company in May 1972, and was continued under the *Canada Business Corporations Act*. Until October 1st, 1998, it operated under the name of Great Lakes Pilotage Authority, Ltd. Pursuant to the *Canada Marine Act*, which received Royal Assent on June 11, 1998, the name of the Authority was changed to Great Lakes Pilotage Authority and the Authority is deemed to have been established under subsection 3(1) of the *Pilotage Act*. The Authority is a Crown corporation listed in Schedule III, Part I of the *Financial Administration Act*. On October 1st, 1998, the Authority ceased to be a subsidiary of the St. Lawrence Seaway Authority and has surrendered its charter under the *Canada Business Corporations Act*.

POWERS

To carry out its responsibilities the Authority has made regulations, approved by Order-in-Council, pursuant to the *Pilotage Act* for:

1. The establishment of compulsory pilotage areas.

2. The prescription of the ships or classes of ships subject to compulsory pilotage.

3. The prescription of the classes of pilot licenses and classes of pilotage certificates that may be issued.

4. The prescription of the tariffs of pilotage charges to be paid to the Authority for pilotage services.

In addition, the Authority is empowered by the *Pilotage Act* to:

1. Employ such officers and employees, including licensed pilots, as required.

2. Contract with a body corporate for the services of licensed pilots.

3. Make by-laws respecting the management of its internal affairs.

4. Purchase, lease or otherwise acquire land, buildings, pilot boats and such other equipment and assets as may be required and to dispose of any such assets acquired.

5. Borrow money for the purpose of defraying the expenses of the Authority.

6. With the approval of the Minister of Finance, invest any money not immediately required for the purposes of the Authority in bonds or other obligations of or guaranteed by Her Majesty in right of Canada and Provincial Treasury Bonds guaranteed by the Provincial Governments.

DESCRIPTION OF THE OPERATIONS

The Authority operates in the interest of safety, a marine pilotage service in all Canadian waters in the Provinces of Ontario, Manitoba and in Quebec south of the northern entrance to the St. Lambert Lock.

Services are provided through the performance of pilotage assignments to those vessels entering the region which are subject to compulsory pilotage by pilots employed by the Authority, using pilot boats contracted by the Authority and dispatch services, both controlled through Pilotage Headquarters at Cornwall.

The Authority must co-ordinate its efforts and operations with a number of other organizations such as The St. Lawrence Seaway Management Corporation and the United States Seaway Development Corporation, who operate the lock facilities, and maintain traffic control systems within the Region; the Canadian Coast Guard, who provide aids to navigation and the United States Coast Guard, who are responsible for the United States pilotage matters in international waters.

The Great Lakes Pilotage region is divided as follows:

- Cornwall District
- International District No. 1
- Lake Ontario
- International District No. 2 (including the Welland Canal)
- International District No. 3 (including Lakes Huron, Michigan and Superior)
- The Port of Churchill, Manitoba

CORPORATE GOVERNANCE

The Great Lakes Pilotage Authority's approach to Corporate Governance is fully consistent with the philosophy and objectives of the Department of Finance and the Treasury Board's Guidelines for Crown Corporations.

Role of the Chair

On the recommendation of the Minister of Transport, Infrastructure and Communities, the Chair is appointed by the Governor in Council. The Chair presides at all meetings of the Board of Directors, provides leadership and guidance to the CEO of the Authority and on behalf of the Board, advises the Minister of Transport, Infrastructure and Communities on all issues involving the Authority and Pilotage in the Great Lakes.

Role of the Board of Directors

Corporate Governance at Great Lakes Pilotage Authority is the responsibility of the Board of Directors. The Board's role is to guide and supervise the affairs of the entity on behalf of the Government of Canada, by whom the Directors are appointed.

Role of the Chief Executive Officer

A Chief Executive Officer is appointed by the members of the Board of Directors pursuant to section 13. (1.1) of the *Pilotage Act*. The remuneration of the CEO is fixed by an Order of the Governor General in Council. The CEO has the responsibility to plan, organize, direct and control the business of the Authority and reports to the Chair and the Board of Directors.

Role of the Audit Committee

The Audit Committee is a core committee of the Authority's Board and represents the engine of the Authority as it will improve the quality of the financial reporting, ensure the key risks are identified and managed, enable the directors to contribute their independent judgement, create a climate of discipline and control that will reduce the opportunity for fraud and increase stakeholder confidence in the credibility and objectivity of corporate performance. The Audit Committee is composed of three members of the Board.

The committee has the authority to investigate any activity of the Authority. The committee ensures the financial oversight and the oversight of the corporate books, records, general and management control and information system and management practices.

STRATEGIC ISSUES FOR THE PLANNING PERIOD

The Authority has adopted the Enterprise Risk Management (ERM) approach to Strategic Planning and has the following risk profile. The Board reviews the ERM each quarter and follows the development of the risk profiles as well as mitigating actions taken to address each risk. The following risks were identified:

Risk Table

Priority	Risk Title	Risk Rating	Likelihood	Impact
1	Financial Stability/Forecasting	VERY HIGH	VERY HIGH	EXTREME
2	Pilot Succession	VERY HIGH	EXTREME	MEDIUM
3	Management Succession (5 years)	VERY HIGH	VERY HIGH	HIGH
4	Criminal Liability	MEDIUM	LOW	MEDIUM
5	Crew Competency	VERY HIGH	EXTREME	HIGH
6	Environmental Issues	MEDIUM	MEDIUM	MEDIUM
7	Stakeholder Relations/Labour	HIGH	MEDIUM	VERY HIGH
8	Deliver Pilots to Ships	MEDIUM	MEDIUM	HIGH
9	Technology	MEDIUM	MEDIUM	MEDIUM
10	Governance	MEDIUM	MEDIUM	HIGH
11	Pilotage Certificate Implementation	MEDIUM	VERY HIGH	MEDIUM

OPERATING AND CAPITAL BUDGETS

REVENUE, TRAFFIC AND TARIFFS

The Authority works in an environment where the factors above can affect its operation significantly. There are challenges and variabilities in analyzing these factors and deriving accurate impact/effects on the Authority. The industry and users have indicated that they are willing to fund the elimination of the Authority's accumulated deficit and are ready to accept some delays to achieve this. We have seen that in times when demand increases slightly (1%) delays can increase significantly which becomes very costly to the users. The 2013-2017 Corporate Plan summary is prepared in an uncertain and volatile economic environment although the economic conditions have improved in 2012 and most experts forecast a slow recovery.

The Authority forecast inflation to be at 1.8% for 2012, 2.1% for 2013 and 2% per year for the rest of the planning period and interest rates to be at the same level as 2012. The impact of interest rates on the Authority's plan is in the form of interest charges on its line of credit which are included in the expense section of the statement of operations and comprehensive income and interest revenue which is included in the revenue section of the statement of operations and comprehensive income.

The Authority proposes an overall tariff increase of 2.5% in 2013 and another 2.5% in 2014 to its general tariff for all of the pilotage charges on its pilotage assignments in all of its six districts. The Authority determined the necessary tariff adjustments after examining its six districts to ensure that all districts are financially self-sufficient and that cross-subsidization between districts is reduced or eliminated. This increase would offset operating expense increases that the Authority is planning to incur in 2013 and 2014 and generate operating surpluses in both years.

Also, the Authority has collective agreements, service contracts and leases that it must honor during the planning period as these are explained in this section.

COLLECTIVE AGREEMENTS, SERVICE CONTRACTS AND LEASE

The Authority has five Collective Agreements, four with Pilot Corporations and one with Public Service Alliance of Canada (P.S.A.C.) which represents the clerical staff and dispatchers employed by the Authority.

The Authority has service contracts for pilot boat services at both Port Weller and Port Colborne. The Authority does not own pilot boats. The Authority also has service contracts for land transportation in St. Lambert, Québec, Cornwall and St. Catharines, Ontario and computer service support for its information technology system. The Authority lease office space for its head office in Cornwall.

STATEMENT OF OPERATIONS AND COMPREHENSIVE INCOME

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2009	ACTUAL 2010	ACTUAL 2011	FORECAST 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016	BUDGET 2017
REVENUES									
PILOTAGE	$ 12,189	$ 17,076	$ 17,097	$ 16,979	$ 17,403	$ 17,838	$ 18,329	$ 18,833	$ 19,398
TEMPORARY SURCHARGE	1,315	2,581	2,051	2,021	2,009	2,141	1,650	1,130	682
INVESTMENTS	5	1	23	5	9	12	16	17	14
OTHER	75	257	257	272	280	285	280	295	300
TOTAL	$ 13,584	$ 19,895	$ 19,428	$ 19,277	$ 19,780	$ 20,276	$ 20,285	$ 20,275	$ 20,294
EXPENSES									
PILOT WAGES	$ 7,543	$ 7,157	$ 7,932	$ 8,279	$ 8,172	$ 8,223	$ 8,449	$ 8,681	$ 8,955
PILOT OVERTIME	889	2,065	1,596	1,400	1,471	1,507	1,547	1,588	1,619
PILOT PRODUCTIVITY	56	1,301	1,749	1,401	1,557	1,650	1,690	1,740	1,775
PILOT FRINGE BENEFITS	1,891	1,883	1,831	1,840	1,888	1,900	1,952	2,005	2,046
OPERATION SALARIES	756	765	868	816	830	849	872	896	914
OPERATION FRINGE BENEFITS	180	205	215	205	216	221	227	233	238
TRAVEL EXPENSES	892	1,088	1,287	1,300	1,327	1,354	1,381	1,409	1,437
PILOT BOAT	607	815	961	825	842	859	876	894	912
LAND TRANSPORTATION	363	457	466	475	466	495	505	515	525
PILOT LAPTOP & NAVIGATION SOFTWARE	81	105	111	-	-	-	-	-	-
PILOT PORTABLE UNITS - AMORTIZATION	-	-	-	173	207	207	207	207	-
PILOT PORTABLE UNITS - MAINTENANCE	-	-	-	83	100	100	100	100	50
EMPLOYEE FUTURE BENEFITS	543	394	98	207	52	82	86	84	80
COMMUNICATION	46	38	37	40	40	40	40	40	40
DISPATCH SERVICES	42	51	47	50	50	50	50	50	50
UTILITIES, SUPPLIES & RENT	180	185	211	254	185	185	185	185	185
TRAINING	-	77	85	126	63	125	125	126	126
TOTAL	$ 14,069	$ 16,556	$ 17,463	$ 17,473	$ 17,475	$ 17,827	$ 18,272	$ 18,732	$ 18,911
OPERATING MARGIN	$ (485)	$ 3,339	$ 1,965	$ 1,804	$ 2,305	$ 2,449	$ 2,013	$ 1,543	$ 1,483
ADMINISTRATION EXPENSES									
SALARIES	$ 587	$ 591	$ 672	$ 624	$ 650	$ 666	$ 685	$ 702	$ 716
FRINGE BENEFITS	140	159	168	156	163	167	171	176	179
UTILITIES AND RENT	76	75	101	105	107	109	112	114	116
DIRECTOR FEES	52	60	57	60	60	60	60	60	60
DIRECTOR TRAVEL	52	49	69	55	55	55	55	55	55
ADMINISTRATION TRAVEL	55	57	76	70	60	70	60	70	60
COMMUNICATION	14	15	16	15	15	15	15	15	15
EMPLOYEE FUTURE BENEFITS	112	90	15	120	50	-	-	-	-
PROFESSIONAL FEES	154	98	70	75	140	140	140	140	140
TRAINING	1	6	8	12	10	10	10	10	10
AMORTIZATION	70	49	36	36	28	47	48	48	45
BAD DEBT EXPENSE	22	-	-	-	-	-	-	-	-
INTEREST EXPENSE	45	78	21	26	14	7	1	2	3
TOTAL	$ 1,380	$ 1,326	$ 1,311	$ 1,354	$ 1,352	$ 1,346	$ 1,357	$ 1,392	$ 1,399
SURPLUS (DEFICIT) FOR THE YEAR	$ (1,866)	$ 2,013	$ 654	$ 450	$ 953	$ 1,103	$ 656	$ 151	$ 84
PILOT NUMBERS	56.5	56.5	56.5	56	54	53	53	53	53
EFFECTIVE PILOTS	54	54	56.5	56	54	53	53	53	53
TARIFF ADJUSTMENTS	4.0%	3.0%	3.0%	2%	2.5%	2.5%	2.75%	2.75%	3%
TEMPORARY SURCHARGE	6%-15%	15.0%	12.0%	12%	12%	12%	9%	6%	3%
RATE OF INFLATION	1.1%	1.9%	2.8%	1.8%	2.1%	2.0%	2.0%	2.0%	2.0%
RATE OF WAGE INCREASE	1.5% to 3%	1.5% to 3%	1.5% to 3%	1.5% to 3%	1.5%	2.5%	2.75%	2.75%	2.0%
TRAFFIC INCREASE (DECREASE)	-25%	36%	6%	-5%	0%	0%	0%	0%	0%
PILOTAGE ASSIGNMENTS	4,468	6,099	6,389	6,100	6,100	6,100	6,100	6,100	6,100
AVERAGE ASSIGNMENT LENGTH (HOURS)	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2	8.2
ASSIGNMENTS PER PILOT	82.7	112.2	113.1	108.9	113.0	115.1	115.1	115.1	115.1
PILOTAGE COST PER SSIGNMENT	$ 3,458	$ 2,951	$ 2,938	$ 3,096	$ 3,096	$ 3,143	$ 3,219	$ 3,299	$ 3,313

STATEMENT OF FINANCIAL POSITION

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2011	FORECAST 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016	BUDGET 2017
ASSETS							
CURRENT							
CASH AND CASH EQUIVALENTS	$ 1,236	$ 238	$ 291	$ 235	$ 237	$ 227	$ 401
INVESTMENTS	2,369	2,900	3,700	4,800	5,600	6,000	5,900
ACCOUNTS RECEIVABLE & PREPAIDS	2,405	2,450	2,615	2,575	2,650	2,720	2,775
	6,010	5,588	6,606	7,610	8,487	8,947	9,076
NON-CURRENT							
PROPERTY AND EQUIPMENT	95	899	672	450	230	13	-
INTANGIBLE ASSETS	10	28	40	108	93	75	66
	105	927	712	558	323	88	66
TOTAL ASSETS	$ 6,115	$ 6,515	$ 7,218	$ 8,168	$ 8,810	$ 9,035	$ 9,142
LIABILITIES							
CURRENT							
BANK INDEBTEDNESS AND BANK OVERDRAFT	$ -	$ -	$ -	$ -	$ -	$ -	$ -
ACCOUNTS PAYABLE AND ACCRUED LIABILITIES	5,817	5,900	6,950	6,000	6,050	6,100	6,150
NON-CURRENT							
EMPLOYEE FUTURE BENEFITS	3,338	3,206	2,906	2,703	2,639	2,663	2,636
TOTAL LIABILITIES	9,155	9,106	8,856	8,703	8,689	8,763	8,786
EQUITY							
ACCUMULATED SURPLUS (DEFICIT)	(3,040)	(2,591)	(1,638)	(535)	121	272	356
TOTAL LIABILITIES AND EQUITY	$ 6,115	$ 6,515	$ 7,218	$ 8,168	$ 8,810	$ 9,035	$ 9,142

STATEMENT OF CHANGES IN EQUITY

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2011	FORECAST 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016	BUDGET 2017
BALANCE BEGINNING OF YEAR	$ (3,695)	$ (3,041)	$ (2,591)	$ (1,638)	$ (535)	$ 121	$ 272
SURPLUS (DEFICIT) FOR THE YEAR	654	450	953	1,103	656	151	84
BALANCE END OF YEAR	$ (3,041)	$ (2,591)	$ (1,638)	$ (535)	$ 121	$ 272	$ 356

STATEMENT OF CASH FLOWS

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

(000'S)

	ACTUAL 2011	FORECAST 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016	BUDGET 2017
CASH PROVIDED BY (USED IN):							
OPERATING ACTIVITIES							
NET SURPLUS (DEFICIT) FOR THE YEAR	$ 654	$ 450	$ 953	$ 1,103	$ 656	$ 151	$ 84
ITEMS NOT REQUIRING CASH							
EMPLOYEE FUTURE BENEFITS	(147)	(57)	(330)	(223)	(114)	(15)	(40)
AMORTIZATION	38	208	235	254	255	255	45
UNREALIZED GAINS ON INVESTMENTS							
AMORTIZATION OF DISCOUNT ON INVESTMENTS	-	-	-	-	-	-	-
GAIN ON DISPOSAL OF PROPERTY AND EQUIPMENT	-	-	-	-	-	-	-
NET CHANGE IN NON CASH WORKING CAPITAL	1,078	(38)	15	10	25	20	5
	$ 1,623	$ 563	$ 873	$ 1,144	$ 822	$ 410	$ 94
INVESTING ACTIVITIES							
PURCHASE OF INVESTMENTS	(2,369)	(2,900)	(3,700)	(4,800)	(5,600)	(6,000)	(5,900)
DISPOSAL OF INVESTMENTS	-	2,369	2,900	3,700	4,800	5,600	6,000
PROCEEDS FROM DISPOSAL OF PROPERTY AND EQUIPMENT	-	-	-	-	-	-	-
ACQUISITION OF CAPITAL ASSETS	(24)	(1,030)	(20)	(100)	(20)	(20)	(20)
	$ (2,393)	$ (1,561)	$ (820)	$ (1,200)	$ (820)	$ (420)	$ 80
INCREASE (DECREASE) IN CASH	(770)	(998)	53	(56)	2	(10)	174
CASH, BEGINNING OF YEAR	2,006	1,236	238	291	235	237	227
CASH, END OF YEAR	$ 1,236	$ 238	$ 291	$ 235	$ 237	$ 227	$ 401

STATEMENT OF HUMAN RESOURCES

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

STATEMENT OF HUMAN RESOURCES AT YEAR END

	ACTUAL 2007	ACTUAL 2008	ACTUAL 2009	ACTUAL 2010	ACTUAL 2011	FORECAST 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016	BUDGET 2017
ADMINISTRATION											
CEO	1	1	1	1	1	1	1	1	1	1	1
ADMINISTRATIVE OFFICERS	6	6	5.5	5.5	6.0	6.0	6.0	6.0	6.0	6.0	6.0
ADMINISTRATIVE SUPPORT	3	3	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5	2.5
TOTAL	10	10	9	9	9.5	9.5	9.5	9.5	9.5	9.5	9.5
OPERATION											
FULL TIME PILOTS	60	61	53	53	54	54	52	52	52	52	52
CONTRACT PILOTS (.5)	3	3	7	7	5	4	4	2	2	2	2
DISPATCHERS (Full time)	8	8	8	8	8	8	8	8	8	8	8
DISPATCHERS (Part time) (5)	2	2	1	1	-	1	2	2	2	2	2
	70.5	71.5	65	65	64.5	64.5	63	62	62	62	62
TOTAL MANPOWER	80.5	81.5	74.0	74.0	74.0	74.0	72.5	71.5	71.5	71.5	71.5

FULL TIME PILOTS AT DECEMBER 31

	2012	2013
CORNWALL DISTRICT	19	18
DISTRICT NO. 1	7	7
LAKE ONTARIO	6	6
DISTRICT NO. 2	19	18
DISTRICT NO. 3	3	3
	54	52

CONTRACT PILOTS (.5) AT DECEMBER 31

CORNWALL DISTRICT	2	2
DISTRICT NO. 1	-	-
LAKE ONTARIO	-	-
DISTRICT NO. 2	2	2
DISTRICT NO. 3	-	-
CHURCHILL	-	-
	4	4
TOTAL PILOTS	58.0	54

CAPITAL BUDGET

GREAT LAKES PILOTAGE AUTHORITY

CORPORATE PLAN

($000'S)

	ACTUAL 2011	FORECAST 2012	BUDGET 2013	BUDGET 2014	BUDGET 2015	BUDGET 2016	BUDGET 2017
PROPERTY AND EQUIPMENT	$ -	$ 1,000	$ -	$ -	$ -	$ -	$ -
INTANGIBLE ASSETS	24	30	20	100	20	20	20
	$ 24	$ 1,030	$ 20	$ 100	$ 20	$ 20	$ 20

In 2012, the Authority spent $1 million on the purchase of Portable Pilotage Units. In 2014, the Authority plans to spend $100,000 on upgrades to its present dispatch/billing/accounts receivable computer system. During the planning period, the Authority plans to spend a total $20,000 per year on upgrades to the database used for training of Authority pilots at the pilot simulator in Quebec City/Owen Sound and/or office hardware and software.